IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE S.SIRI JAGAN

MONDAY, THE 26TH MARCH 2007 / 5TH CHAITHRA 1929

WP(C).No. 6357 of 2007(F)

PETITIONER:

ERNAKULAM DISTRICT CO-OPERATIVE
BANK, KUZHUPILLY BRANCH, ERNAKULAM DISTRICT,
REPRESENTED BY ITS BRANCH MANAGER.

BY ADV. SRI.P.V.SURENDRANATH
SRI.P.V.DIBU

RESPONDENTS:

1. STATE OF KERALA, REPRESENTED BY
ITS SECRETARY TO GOVT., SECRETARIAT,
THIRUVANANTHAPURAM.

2. DISTRICT LEGAL SERVICES AUTHORITY,
REPRESENTED BY ITS SECRETARY, ERNAKULAM.

3. LOK ADALATH, REPRESENTED BY ITS
CHIARMAN, TALUK LEGAL SERVICES COMMITTEE,
KOCHI.

4. O.M.THANKAMMA, D/O.MADHAVAN,
ODASSERY HOUSE, CHERAI P.O., ERNAKULAM DISTRICT.

5. SUDHI.K.P., S/O.PRAKASAN,
KADEPARAMBIL HOUSE, CHERAI P.O.,
ERNAKULAM DISTRICT.

6. THULASI, W/O.PRAKASAN,
KADEPARAMBIL HOUSE, CHERAI P.O.,
ERNAKULAM DISTRICT.

G.P.SHRI.P.K.RAVIKRISHNAN.
SRI.A.JAYASANKAR

THIS WRIT PETITION (CIVIL) HAVING BEEN FINALLY HEARD ON 26/03/2007, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

W.P(C).No. 6357/2007

APPENDIX

PETITIONER'S EXHIBITS:

P1. COPY OF THE PETITION PLP NO.97/2006.

P2. COPY OF THE AWARD PREPARED BY THE ADALATH ON 9.12.06.

P3. COPY OF THE PETITION DTD.13.12.2006 BEFORE R3.

P4. COPY OF THE RECEIPT DTD.15.12.2006.

Sdk+

///True copy///

P.A. to Judge.

S.SIRI JAGAN, J.

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W.P.(C).No.6357 of 2007

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Dated this the 26th day of March, 2007

J U D G M E N T

The petitioner is a co-operative bank. Respondents 4 to 6 are defaulters in repayment of loan amounts due to the petitioner bank as principal debtor and sureties. The matter went to the District Legal Services Authority, Ernakulam for settlement. As per Ext.P1, the bank submitted its claim as Rs.2,68,676/- By some mistake, the officer representing the bank stated that the bank would be agreeable to settle the matter by accepting Rs.91,500/-. Realising the mistake immediately, the officer representing the petitioner bank refused to sign the settlement. In spite of the same, the *Lok Adalath* passed Ext.P2 award directing respondents 4 and 6 to pay an amount of Rs.91,500/-. It is challenging the said

order that the petitioner bank has come up before this court. Evidently there is a mistake in computing the amount. When the amount due is Rs.2,68,676/- no bank could have settled the loan amount accepting Rs.91,500/- which would not even be sufficient to set off the interest portion of the loan amount. As such, I am satisfied that there is a mistake and since the petitioner bank has not signed the proceedings, I do not think that it would be just to pin down the petitioner for the mistake of the officer representing the petitioner.

2. It is admitted by both parties that pursuant Ext.P2 order an amount of Rs.91,500/- has already been paid. After deducting the said amount the balance amount due would be Rs.1,77,176/- going by the amount mentioned in Ext.P1. I am of opinion that since the very object of placing the matter before the *Lok Adalath* is to settle the matter by giving some concession, the petitioner bank should give some concession in the matter of interest. In the above circumstances, I fix the balance amount

payable by respondents 4 to 6 as Rs.1.67 lakhs. This amount shall be paid within one month from today. If respondents 4 to 6 do not pay the amount as directed above, it would be open to the petitioner bank to take appropriate proceedings for coercive recovery of the said amount, in which case, respondents 4 to 6 would also be liable for future interest on the amount. The title deeds of the property mortgaged shall be released immediately on payment of the amount as directed above.

Writ petition is disposed of as above.

Sd/-

sdk+ S.SIRI JAGAN, JUDGE